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Executive Registry

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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

25 April 1980

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MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: Deputy Director for National Foreign Assessment
National Intelligence Officer for Warning

FROM: Joe L. Zaring
National Intelligence Officer for Western Europe

SUBJECT: Monthly Warning Assessment: Western Europe

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EUROPE-US

1. Following the aborted US attempt to rescue the hostages in Iran, and early European criticism of the operation, it is highly uncertain whether the 22 April EC agreement on a program of sanctions against Iran will be applied. The EC recommendation for a series of diplomatic and economic steps was a fairly substantial achievement given the political difficulties in the individual countries, their legal problems, their deep reservations about the efficacy of sanctions, and their profound sense of impending doom -- in which the hostage problem as such seems more a diversion than the central problem. The sanctions agreement, however, primarily reflects European acceptance of the imperative need to show some solidarity with the US (in part, lest it resort to something worse), and it would be a mistake to read into it a receptivity to doing more at a later time, endorsement of eventual military action, or any attenuation of Europe's reservations about our overall approach to the problems of Southwest Asia. This is especially true following the failure of the US mission. Unless and until overall confidence is restored, we believe it is bound to remain difficult to keep Atlantic relations on an even keel over a range of issues extending far beyond the Afghan and Iranian problems -- including defense, arms control, CSCE, CDE, etc.

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FRG-US

2. Chancellor Schmidt's efforts to reopen a dialogue with the USSR and preserve the basis for detente in Europe have the potential to continue to aggravate relations [REDACTED]. Inspired in part by pressures from within his party and the oncoming election campaign, the Chancellor's moves are also a response to public concern that the international crisis could be heading toward World War III. Although Schmidt's commitment to the Alliance is not in question, his anxieties do tempt him to send signals to the USSR or to respond to these from Moscow, and generally, to try to orchestrate efforts to get the super-powers together. His evidently uncoordinated comments earlier this month which, as noted by some of the Allies and his domestic opposition, seemed to suggest a "freeze" on further deployments of theater nuclear forces, are indicative of the kinds of risks he runs in trying to appear to cope with the crisis. How he handles the renewed invitation to visit Moscow poses the same kinds of problems. It would be highly divisive should the opposition find it possible to make a serious campaign issue of how Schmidt has handled FRG relations with [REDACTED] the USSR.

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NATO

3. Prospects remain poor that the Afghanistan crisis can be parlayed into any substantial beefing up of the Alliance's defense programs. Only the FRG and the UK seem likely to meet the 3 percent increase goal this year -- the first because it has been shaken by Afghanistan, the second because of the "hardline" Thatcher government. Although Italy, Canada, Norway, and Luxembourg have promised to meet this goal, most Allies have overriding economic and political problems. (The difficulty the draft law is having in the US Congress -- as well as press allegations of defense budget manipulations -- will not be overlooked by our European friends.) Of the various programs, prospects are probably most favorable for increasing ammunition stocks, prepositioning weapons -- as in Norway, and military infrastructure projects which help with the unemployment problem.

WEST EUROPEAN COMMUNISTS

4. The conference of Communist parties in Paris next week will dramatize the schism among the West European parties, highlighted by the recent split between the French (PCF) and Italians (PCI) over Afghanistan and the decision of the latter to make a bid for an opening to the European Socialists -- including French Socialist leader Mitterrand. The presumed purpose of the Soviet-inspired confab is to give recognition to the French party's move toward a more pro-Soviet posture, to drum up support among the attending parties for that kind of posture, and to make life as difficult as possible for PCI leader Berlinguer. PCI leaders are said to be fearful that the

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atmosphere growing out of the conference will dim prospects for the "historic compromise", but to the extent that the distinction between the PCF and Soviet-aligned parties on the one hand, and the PCI and more autonomous parties on the other, is underscored, the conference may have the opposite effect.

TURKEY

5. There is no end in sight to the stalemate in the presidential election, but so far, the Turks are taking it in stride. Neither of the major parties has as yet put forward candidates who would have a serious chance of winning the needed parliamentary support, and the military, though displeased, has given no clear sign that it will soon move to effect a "compromise". Apart from the wounds to national pride, having only an acting president seems -- in the absence of any challenge to his authority -- to have no serious drawbacks. Of more immediate concern are various reports -- not yet fully verified -- that military leaders are attributing the persistence of terrorism to the Kurds. While there is a Kurdish problem in eastern Turkey, such [REDACTED] accusations can only complicate the already critical terrorist problem.

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BELGIUM

6. Prospects are poor that a new coalition can be put together to replace the Martens government which collapsed on the linguistic issue earlier this month. Pending the new elections which would have to be called in that event (and which would resolve nothing), there is unlikely to be any clarification of Belgium's position on TNF nor firm resistance to the pressures which the economic situation is putting on the defense budget. The embassy judges the cleavage over the linguistic issue to be sharper and more bitter than ever before, and there have been isolated instances of violence. The situation seems more likely to drag on -- crippling effective government -- rather than to degenerate into open ethnic conflict.

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Joe L. Zaring

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